WASHINGTON POST 17 November 1986

## Shultz Sees No Benefit for U.S. In Further Iran Arms Shipments

## Disapproval of Deal Is Undisguised

By\_Cass-Peterson Washington Post Staff Writer

Secretary of State George P. Shultz said yesterday that he sees no need for further arms shipments to enhance U.S. contact with Iran but acknowledged that he may not speak for the Reagan administration on the subject.

Making little effort to camouflage

his disagreement with the administration, President Reagan's top diplomatic adviser said his knowledge of the operation was "fragmentary at best," that the shipments were engineered by Reagan's national security adviser, Vice Adm. John M. Poindexter, as "designated hitter," and that their value to U.S. interests was "debatable."

"We gave a signal and the signal has been given, and, as far as I'm concerned, I don't see any need for further signals," Shultz said in an extraordinary exchange on CBS News' "Face the Nation." Asked if he had authority to speak for the administration, Shultz replied firmly and emphatically: "No."

Shultz repeatedly avoided use of the term "arms," referring to the shipments as a "signal."

Shultz raised questions about the effectiveness of the policy, noting that it was "reasonably clear" that the three Americans most recently kidnaped in Beirut were taken by pro-Iranian groups and repeatedly referring to Iran's continuing pursuit of terrorism.

Later yesterday, a well-placed source said that Shultz privately told others it was "a mistake" for him to undertake the broadcast interview, indicating that it highlighted too vividly his disagreement with the president's decision.

Meanwhile, in an apparent effort to extend an olive branch to angry members of Congress, Poindexter said that the administration is "anxious" to discuss the secret operation with congressional oversight committees.

In an appearance on NBC News' "Meet the Press," Poindexter said A CIA Director William J. Casey will lay out details this week when the Senate Select Committee on Intelligence plans to convene the first of what is expected to be an exhaustive series of hearings.

Poindexter said he does not intend to participate in the hearing, but will speak "informally" with members of Congress. A senior administration official said Poindexter wanted to avoid setting a precedent by giving testimony as a national security adviser.

Poindexter's offer, however, suggests that the administration wishes to avoid an executive-privilege confrontation amid the clamor for answers on the arms shipments, including why the secret operation was conducted without advance notice to Congress or the Joint Chiefs of Staff, and in the face of opposition from Shultz and Defense Secretary Caspar W. Weinberger.

Poindexter said the Joint Chiefs were not made aware of the arms deal because "this was not a military operation." He avoided commenting on Shultz's widely reported misgivings.

The clandestine operation, designed by Poindexter and Casey and set in motion inside the White House without concurrence of the administration's top diplomatic and military advisers, underscores a growing rift in the administration. Intelligence officials have played an increasingly powerful role in foreign policy, to the consternation of State and Defense department officials.

Poindexter explained the Iran episode as the work of "an active president who likes and feels that bold action is often required in order to change the status quo." Congressional critics have called the operation a blatant violation of the law, however, and Shultz made clear yesterday his distaste for the poucy end-run.

Shultz has been largely silent in the wake of public disclosures that the administration authorized ship-

ment of two planeloads of weapons and spare parts to what have been described as "moderate" elements in Iran. On Friday his office said he was "not directly involved" and was only "sporadically informed" about the operation.

Yesterday, in his most extensive comments on the controversy, Sheftz said Reagan approved the shipment as a "signal" of his desire for better relations with Iran. The value of the gesture is "debatable," Shaltz said, but "when you get elected president, that's one of the things you get the right to do, to make decisions of that kind."

"I might say that all of the public discussion probably helped somewhat because it has kind of confirmed the fact that . . . it isn't the right thing for governments to trans or anything else for hostages just because it encourages taking more," he said.

At one point, pressing for an answer to why Shultz incorrectly told moderate Arab states six weeks ago that the United States was not shipping arms to Iran, CBS correspon-

dent Lesley Stahl apologized for badgering Shultz.

"You can badger me," Shultz responded. " . . . We have a policy of not sending arms, and the president decided that he would go ahead and send this signal. And that's a decision that he made in the light of all the circumstances. And, as I say, you can argue for it and you can argue against it, but there it is."

Shultz said that Iran "has and continues to pursue a policy of terrorism," and that U.S. policy against trading arms with terrorist nations remains in place.

Asked if there will be any more arms shipments to Iran, "either directly by our government or through any third parties," Shultz replied, "It's certainly against our policy."

Pressed for a more direct answer, Shultz responded, "We gave a signal and the signal has been given, and, as far as I'm concerned, I don't see any need for further signals,"

Declassified and Approved For Release 2012/05/04: CIA-RDP90-00965R000604920022-0

"Well, then, why don't you answer the question directly?" Stahl said. "I'll ask it again. Will there be any more arms shipments to Iran, either directly by the United States or through any third parties?"

"Under the circumstances of Iran's war with Iraq, its pursuit of terrorism, its association with those holding our hostages, I would certainly say, as far as I'm concerned, no," he said.

"Do you have the authority to speak for the entire administration?" Stahl asked.

"No," Shultz replied.

Shultz declined to say what advice he gave Reagan when the operation was initially discussed. Asked if he had considered resigning, he responded, "Oh, I talked to the president. I serve at his pleasure, and anything that I have to say on that subject I'd just say to him."

Poindexter said the administration does "not feel it in our national interest to allow the floodgates to be thrown open to allow arms to be shipped," but he did not state unequivocally that no more arms would be shipped to Iran.

"We will keep working on getting the hostages free," he said.

Although Reagan said in his national address last week that the arms shipments were not a direct attempt to free American hostages, Poindexter said, "The fact remains that the moderate elements that we were talking to, we think, did have some impact on stopping the hostage-taking in Lebanon for about a year."